

**Responses to Questions from Vice-Mayor Ecton  
Budget Subcommittee Work Session  
April 2, 2004**

**Downtown Group**

**(Marketing & Promotion)**

- *How many of the six staff members are additions to the headcount?*

**Response:** Only one of the six positions, the Administrative Secretary, is an addition to the headcount. The remaining five positions were transferred from Citizen & Neighborhood Resources (1), Planning (1), Transportation (2), and the City Manager's Office (1).

**(Arts and Cultural Services)**

- *What is the budgeted amount of the city contribution to the Culture Council for 04/05?*

**Response:** The proposed Cultural Council Contract is \$2,864,014 for FY 2004-05. This includes a 3% or \$83,418 increase over the FY 2003-04 budget of \$2,780,596.

- *The Cultural Council should submit and be held accountable for a budget that clearly separates the Cultural Council, Center for the Arts, Public Art and SMOCA.*

**Response:** Staff agrees and will work with the Cultural Council staff and city finance staff to refine financial reporting and accounting procedures to more clearly account for public funds.

- *We should begin to plan for cultural activities in the northern and northeast parts of Scottsdale.*

**Response:** Staff agrees that more cultural activities should be programmed for north and northeast Scottsdale. Currently, the emphasis is on downtown but the Scottsdale Cultural Council and the City agree that offering opportunities for cultural activities in all parts of the city helps strengthen the reputation as a city with a vibrant arts heritage and future. The Scottsdale Cultural Council Strategic Plan addresses expanding the arts across the entire community as a key strategy.

- *Several small theaters or major theater should be planned for downtown and original Scottsdale.*

**Response:** The city and the Cultural Council are both working towards creating more performing arts venues in downtown and original Scottsdale. Plans are currently underway to create additional theatres in three new locations. The Cultural Council Strategic Plan also points out the need to construct a new performing arts center in this area.

## **Financial Services**

- *Explain the growth in the number of purchase orders.*

**Response:** Financial Services has cut the number of Purchasing Cards issued in half (529 card holders to 255 card holders) and restricted the use of Purchasing Cards. The total dollars spent with Purchasing Cards has decreased from \$4.9 million to \$2.4 million. The average spent per transaction has decreased from \$172 to \$142. Departments are using purchase orders to buy items they would have bought with a Purchasing Card in the past. In addition, some increases in purchase orders are attributable to general business growth, addition of the Fire Department supply purchases and CIP project expenditures.

- *What are the three new positions?*

**Response:** The Financial Services Proposed FTE total for FY 2004/05 is 143.00. This represents an increase of 2.5 FTE from the Adopted FY 2003/04 total of 140.5 FTE. The increase is made up of the following:

<b>Accounting:</b>	
Payroll Specialist – Fire	1.0 FTE
Accounts Payable Clerk – Fire	0.5 FTE
<b>Purchasing:</b>	
Mail Courier – Fire	0.5 FTE
Stock Clerk – Fire	0.5 FTE
Mail Courier – Enhanced Security	1.0 FTE
<b>Utility Billing:</b>	
Customer Service Rep – move to CNR	(1.0) FTE
<b>Net Change:</b>	<b>2.5 FTE</b>

In order to save general fund dollars in FY 2002/03 one accounts payable position was eliminated when a staff member transferred from the accounts payable division to payroll division. However, the elimination of nearly one-half of the procurement cards in the City in late spring 2002 has resulted in greater processing for accounts payable. Until recently, this has been somewhat offset by restrictions in spending due to budgetary constraints. The anticipated increased level of procurement related to Fire Department supplies, administrative, training and operational support (14 fire stations daily food, bedding, EMS supplies, etc.) will require additional .5 FTE clerk to help process the increased payables workload.

The addition of a full-time payroll specialist position would maintain the current workload level on each payroll team member, ensure quality and internal controls are maintained, ensure that all additional Public Safety Fair Labor Standards requirements are processed on a timely basis and ensure that taxes and benefits are processed according to policy and law, which reduce the risk of fines and penalties to the City. Payroll processing is a highly regulated and compliance driven function. There is no ability to miss deadlines without costly consequences.

The addition of a City-owned Fire Department adds at least 13 new delivery stops and adds a significant number of miles to the current delivery system. The central warehouse will be required to deliver and retrieve oxygen tanks, towels, operating supplies and items to be repaired. The central warehouse's longest delivery will increase 32 miles round trip to the existing delivery

### **Financial Services (continued)**

schedule. The current staffing allows the central warehouse to deliver items on a daily basis to all areas that require that service. To maintain that level of service, an additional .5 FTE is needed.

Mail couriers deliver both U.S. Post and interoffice mail to most City offices twice a day (once a day since the incident at the human resources building). To include at least 13 new delivery stops, the mail couriers will add an additional 40 miles to the longest delivery route. We are recommending only one mail delivery to each fire station to save 10,000 miles a year and 500 hours of additional mail courier time. With this recommendation, we require .5 FTE to maintain that level of service.

Staff have benchmarked the proposed staffing levels including the additional personnel against the majority of the other valley cities and they are reasonable given the city's projected budget and personnel with the addition of the fire department.

- ***Are we using the Internet to sell surplus property?***

**Response:** Purchasing is conducting a test on e-bay to sell surplus computers. The results of the test are not complete, but we do intend to use the Internet for surplus and confiscated property that still have significant value.

- ***Have we considered utility billings bi-monthly or quarterly for those who want it?***

**Response:** The primary reasons for continuing with monthly reading and billing relate to water conservation, early leak detection and reporting of actual monthly usage to state agencies. Utility Billing staff regularly updates a benchmark analysis on this issue. Our analysis shows that some nominal cost savings is attributable to bi-monthly or quarterly billings – but is more than offset by the impacts this type of billing would render on our customers (e.g., early leak detection), water conservation requirements, current programs, reports, interdepartmental functions and computer reprogramming necessary to accommodate bimonthly billing. Staff recently surveyed other valley cities and found that all of them are reading and billing water on a monthly basis – primarily attributable to these same factors. However, staff is looking into implementing automated meter reading conversion in some of our most remote or difficult locations to provide further efficiencies. We can share our more detailed costing analysis if desired.

- ***Explain the drop in the tax audit assessment ratio.***

**Response:** As construction activities continue to decrease, especially the building of custom homes, which are in many instances subject to the speculative builder tax, it has been anticipated that the audit assessment ratio would also decrease. In the past, Tax Audit found a significant number of speculative builders who failed to report the required tax causing previous assessment ratios to be relatively high. However, as the City continues nearing its build-out, the assessment ratio is projected to decrease due to less speculative builder tax being assessed by Tax Audit. Also, Tax Audit has concentrated a considerable amount of effort in fiscal year 2003/04 to educate taxpayers about the proper reporting of residential rental activity and out-of-state sales by retailers. It's anticipated that the assessment ratio will also be lower due to correct reporting by taxpayers as a result of this education.

## **Citizen & Neighborhood Resources**

- ***Explain the headcount increase.***

**Response:** The increase in staffing for Citizen & Neighborhood Resources is due to the request for two additional Code Enforcement Inspectors (*funded from General Fund and **not** contingent on May 18<sup>th</sup> sales tax vote*) and a Grant Program Specialist (*funded from Special Revenue-CDBG*). These positions will increase resources to support the neighborhood revitalization efforts in the city. The increase in Code Enforcement Inspectors will improve citywide Code Enforcement coverage, allowing for more proactive initiatives. The Grant Program Specialist will reduce the waiting time for residents to receive housing rehabilitation services, and increase the number of residents receiving assistance.

## **Economic Vitality**

- ***Explain the headcount increase.***

**Response:** When the Economic Vitality Dept. was formed in the summer of 2001, the concept was to centralize all of the City's efforts to focus on long-term economic sustainability into one area. The Department combined the former Economic Development Division (4 employees), the former Redevelopment Office (12 employees), and the former Chamber of Commerce Economic Development Contract (which supported 3 Chamber employees) -- a total of 19 previous positions. The original Economic Vitality organization plan called for 10 employees to start, with the potential to increase that to 12 employees in the coming years. The plan called for the 10 employees to be organized into the following five functional areas:

1. Economic Vitality Administration: General Manager and Department Secretary
2. Economic Development: Economic Development Manager and Economic Vitality Specialist
3. Tourism Development: Tourism Manager and Economic Vitality Researcher
4. Revitalization: Revitalization Manager and Economic Vitality Specialist
5. Business Services: Business Services Manager and Economic Vitality Specialist

The Department began to fill the above positions, and had eight of them filled by the fall of 2001, but then the events of 9/11 and the economic downturn caused a freeze on further hiring, and so the final two positions went unfilled (the Economic Vitality Researcher, and the Economic Vitality Specialist in Business Services). The Department has now been short staff for two years, and it clearly has impacted the ability to do all of the projects within the Economic Vitality Action Plan (approved by Council in December of 2002). While the existing staff has tried to pick up some of the additional workload, the Department is stretched thin, and not able to work on all of the initiatives, as they would like to do.

The two additional employees and their planned responsibilities would be:

Economic Vitality Researcher: Entry level position that would be responsible for all of the research needs -- about 50% of the time would be spent on tourism research, 25% on economic development research, and the remainder on other areas.

Economic Vitality Specialist (Business Services): This position would focus on a major new initiative co-sponsored by APS, called the "B3" Program (Building Bridges to Business), an

### **Economic Vitality (continued)**

intensive business retention program that has met with great success in other Arizona cities. This does require significant time in terms of meeting with hundreds of local businesses to determine issues relating to the local business climate, city services, etc.

Adding these two positions would free up existing staff time and allow them to focus more effort on additional job creation and revenue enhancement opportunities, such as providing greater emphasis on the biomedical field.

- ***What needs to be done to increase the number of jobs from 1,500 to 3,000?***

**Response:** Over the past decade, the City has been successful in landing between 1,000 and 3,000 jobs per year, with an average of about 1,800 per year. In FY2002/03, Scottsdale was successful in landing 2,032 new jobs, and is currently on track to land approximately 2,000 jobs this fiscal year.

If the City wanted to get more aggressive and shoot for 3,000 new jobs per year, there are two questions to ask:

1. Does it make sense to try to increase the annual job targets? Given the realities of the Scottsdale market (approaching build-out, few large land parcels left, focusing more on redevelopment and smaller businesses, desire to stay away from big economic incentives, greater emphasis on high value businesses like biotech, etc.), it probably does not make a lot of sense to try to focus on much higher job target numbers. The current emphasis is on very high quality, high value employers, but if the City wanted to try to increase job numbers, Scottsdale would likely have to start looking at less desirable types of businesses (i.e. call centers, production manufacturing, etc.) in order to get the numbers up. In actuality, it is likely Scottsdale is going to have to get more aggressive just to keep even with where the City is today.
2. If the City does want to try to increase the numbers, what type of investment would it take? Given Scottsdale has been fairly consistent over the past years at attracting 1,500-2,000 new jobs per year, if the City did decide it wanted to up those numbers Scottsdale would have to take a much more aggressive posture. For example, today the City does not do any economic development marketing outside of GPEC -- if Scottsdale wanted to up the targets, the City would need to begin marketing Scottsdale on its own, in addition to what the City does with GPEC. It would take at least two new positions in Economic Development (with benefits and support estimated at \$200,000), a significant increase in the travel budget (in order to attend trade shows, go on prospect missions, etc. -- probably around \$50,000), plus a significant marketing budget (for advertising, direct mail, enhanced website, etc. -- at least \$250,000). All told, it would probably take an increase of about \$500,000 per year in order to accomplish this.

## **Transportation & Utility Services**

- ***How do you plan to reduce the growth rate in vehicle miles traveled per day?***

**Response:** To reduce the growth rate in vehicle miles traveled per day, the Transportation Department will focus on providing better alternatives to single occupant vehicle travel. Examples of strategies are:

- ✓ Refine and market the City's transit system
- ✓ Extend and improve the connectivity of Scottsdale's bikeways system
- ✓ Continue to expand the City's Sidewalk Improvements Capital Improvement Program to fill in missing gaps and improve accessibility (ramps, etc.)
- ✓ Assure that transportation circulation plans for new developments provide multi-modal options
- ✓ Work with large employers to develop traffic demand management programs
- ✓ Support regional efforts to create a transportation network and land use patterns that provide non-auto options and create live/work/shop opportunities
- ✓ Coordinate transportation improvements with downtown redevelopment and residential plans
- ✓ Use Intelligent Transportation Systems (ITS) during events for wayfinding

- ***Why are only five additional CCTVs shown on the capital plan for Intelligent Transportation Systems?***

**Response:** The Transportation Department currently has several major projects under construction, which will increase the total number of CCTV camera locations from the current 17 sites to a total of 50 sites. One additional project is about to go to bid and will add three more cameras to the total. Current camera installation projects are anticipated to be completed by Fall 2004.

Additional camera locations will be constrained by the need to develop additional fiber optic infrastructure. Additional camera locations will be developed at critical locations as the communications backbone is expanded. The near-term focus of ITS expansion will be the installation of additional Variable Message Signs to provide traveler information and incident management along major arterial routes.

## **Municipal Services**

- ***Explain increased headcount.***

**Response:** Four additional mechanic positions are included in the Fleet Management budget to support the Fire Transition Plan. One vacant tech support position was removed from the Capital Project Division and re-assigned to support Police Technology programs. The total employee count for the department represents a net increase of three positions.

- ***Explain 10.6 % increase in Personal Services.***

**Response:** The increase represents the additional salary and benefits for three positions, a 2.5% market adjustment, adjusted cost of City-funded benefits and merit increases for eligible

### **Municipal Services (continued)**

employees. No promotions or reclassifications have taken place in the department that could have contributed to added Personal Services expenses.

- ***How was the 10% objective established for maintenance of construction change orders?***

**Response:** A 10% administrative limit (Administrative Regulation #216) is in place to control construction change orders. A performance measure to operate under the limit is proposed. This measure will be modified and improved during the upcoming year to track and quantify changes resulting from designer omissions; changes required by unknown field conditions; and changes relating to added work (scope enhancements). This measure will provide a more thorough understanding of changes required during construction.

- ***Explain the high % of increases in the number of service request projecting for FY 2003/04.***

**Response:** This measure addresses data input volumes by Field Services support staff. A newly deployed work-order management system will require daily downloading and quality control reviews. The added workload is within available staff capacity.

- ***Explain the projected drop in street light inspections.***

**Response:** Nighttime inspections were conducted by a contract worker. This activity was suspended as a cost saving measure.

- ***Why does it take 3 days to repair streetlights?***

**Response:** The standard is a “blend” of time required, mainly by APS and SRP forces, to repair the cause of a non-working streetlight. If the cause is a burned out lamp, the work is accomplished within one day. If the cause is a fault or break in the underground power circuit, this work is performed by utility crews and often takes two weeks to complete.

- ***Explain the proposed 40% inspection of Street Signs in FY 2003/04.***

**Response:** Sign inspection is mainly focused on reflectivity testing performed during nighttime hours. The reduced production reflects the elimination of the contract worker position that also performed streetlight inspections.

- ***Who stocks fleet auto parts, city or the vendor?***

**Response:** The majority of parts are acquired by the City and charged against the vehicles needing the parts. We do have “consignment contracts” with a hydraulic cylinder vendor and a battery vendor ---the parts are housed at the Fleet stockroom, but not charged until actually used. We are constantly looking for other consignment opportunities.

## Water Resources

- *Explain Personal & Contractual Services and Commodities increases.*

**Response:** Personal Services Increase - The increase in Personal Services for Water Resources includes the cost of living increase and merit compensation for 136 employees and three new positions in the Treatment Division. In addition, the Budget office has moved the contract worker account, which is currently a Contractual Service account, to a Personal Services account for next year.

Contractual Services Increase - There are two primary Contractual Services increases. There is an increase in our Multi-city sewer costs due to the higher cost of treating residuals in Scottsdale's sewer flows. In addition, sewer-cleaning costs are increasing to re-establish the schedule of cleaning one-third of the system annually to minimize sewer backups for our customers. A portion of the sewer cleaning budget was reduced last year as a cost savings measure.

The above increases in Contractual Services are partially offset by: (1) the Budget Office's movement of the contract worker account to Personal Services, and (2) a decrease in Other Professional Services and Contractual Maintenance as staff takes on more work previously contracted out.

Commodities Increase - Through increased staff efficiencies in the High Performance Work System, Water Resources staff has been able to reduce contract services by assuming additional odor control and maintenance/repair work that was previously contracted out. The decrease in these contractual needs has been partially offset by increases in Commodities for odor control chemicals and maintenance and repair materials. In addition, Purchased Water costs are up due to the planned increase in use of renewable surface water supplies and increases in the rate for Central Arizona Project (CAP) water.

- *Explain the decrease in water conservation workshops.*

**Response:** The City is required by the State to conduct eight water conservation workshops annually under the regulated Non-Per Capita Conservation Program. In FY 2004/05, sixteen workshops are planned. While there has been a decrease in number of workshops, there has been a change in the facility used for the workshops to accommodate larger attendance. Overall, the number of attendees has declined which may be attributed to a change in how the workshops are advertised and/or, as we have been providing this service since 1997, we maybe experiencing a leveling out of interest for this service.

- *How will you be able to increase restaurant inspections by 250?*

**Response:** With the adoption of the FY 2001/02 budget City Council authorized a new position to inspect restaurants and prevent grease from causing sewer blockages and overflows. Restaurant inspections have proven to be very important. If grease traps are not properly maintained, they will cause odor problems and sewer blockages.

Over the past two years, a significant portion of time for the restaurant inspection position has been used to set up and establish the new program, to maintain legal compliance with recent EPA Federal Pretreatment Regulations and also to work to resolve several longstanding problems. With the program now established and the previous problems now addressed, more time should



**Water Resources (continued)**

be available to increase the number of restaurant inspections. The increase of 250 inspections is a worthy goal to minimize the problems mentioned above. If we are not able to meet this, we may need to consider the addition of staff to accommodate this need in the FY 2005/06 budget.

# *Scottsdale Cultural Council*



## FY'05 Budget Overview

# Master Agreement Deliverables

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- serve as “official advisory and planning body on the arts and culture for the City...
- “create within the City, a climate wherein the arts may flourish through active participation and cooperation of government, business, education and the private sector...
- “develop and administer a five year plan for arts and culture in the City which shall include
  - management of arts facilities
  - capital development plan
  - plan for construction of new facilities
  - Public Art Program
  - long range planning

## Master Agreement Deliverables continued

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- “make subgrants to persons and groups in the community
- “sponsor and support community programs and projects, as well as develop and implement programs and projects that enrich the cultural life of the City...
- “supplement revenues by seeking funding from appropriate local, state and national public and private sources and maintaining revenue generating activities which complement the efforts of local artists and arts agencies...
- “plan and support programs that extend community resources to school age youth...
- “coordinate cultural activities with City departments and programs to avoid duplication...

# Types of measurement of our services

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- Achieve Cultural Council Strategic Plan Objectives
- Leverage City's investment
- Meet event and attendance goals
- Meet financial objectives established in budget
- Meet program objectives
- Develop volunteer corps and increase donors
- Obtain local and national recognition

## Example of Measurable Outcomes

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- Leverage \$2 for every \$1 of spending capacity
- Sustain and grow collaborations with schools, community groups, hospitality industry and downtown business community.

## FY03 Event and Attendance Summary

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	Events	Attendance
<b><u>Cultural Council Total</u></b>	<b><u>1,387</u></b>	<b><u>357,241</u></b>
<b>SCA</b>	564	272,071
<u>Education/Outreach</u>	260	40,889
<b>SMOCA</b>	27	29,965
Education/Outreach	536	14,316

## Public Art Program

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- Since 1985, 60 permanent and temporary public art installations have been completed.
- Projects completed FY'03
  - Eldorado Park Aquatic and Fitness Center  
*Floating World*
  - Poetry Bus *Life in Motion*
  - Mayor Herb Drinkwater Memorial Sculpture



## Community Arts Grants Program

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- Since 1993, has awarded nearly 100 grants totaling over \$440,000.
- In FY'03 - \$50,000 was awarded to local organizations.

## Donations

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- Since 1988 generated contributions over \$32 million.
- 3,000 donors provided support of \$2.4 million in FY'03.
- More than 900 volunteers contributed over 30,000 hours of time for an estimated value of \$482,000 in FY'03.

## Cultural Council Strategic Priorities (2004-2009)

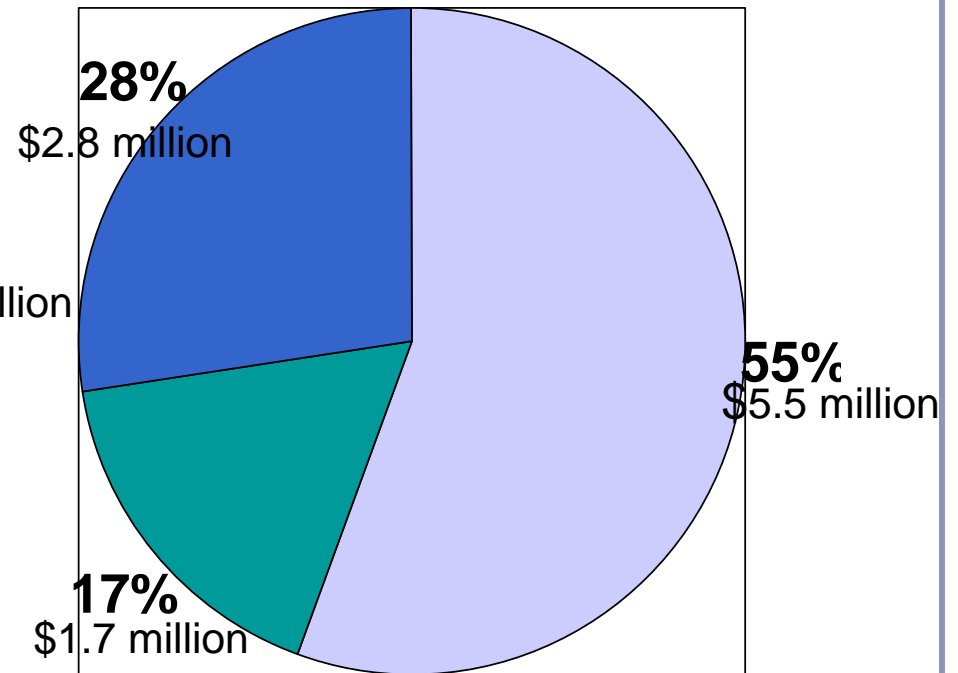
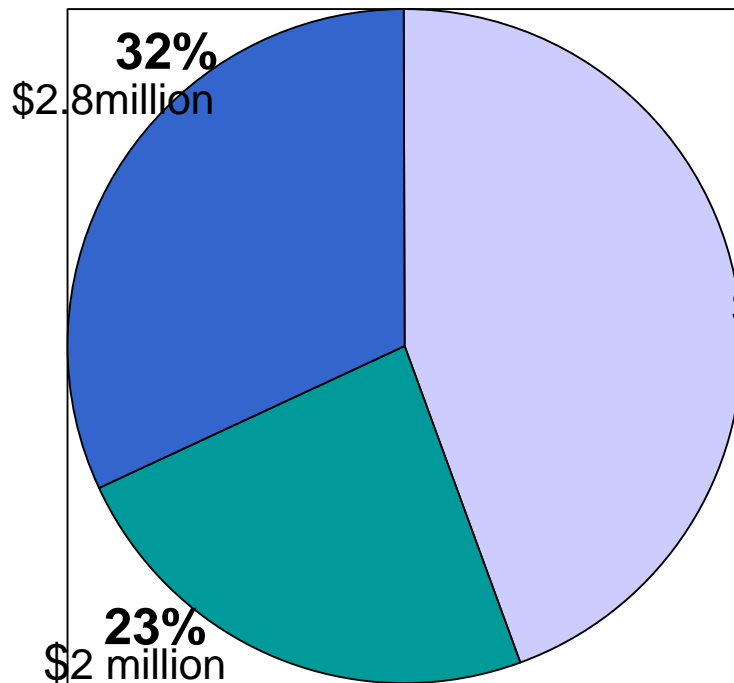
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- Assure the relevance, diversity and leadership of arts programming for our community.
- Achieve a high level of financial strength and stability while encouraging and managing growth of the organization.
- Consider new opportunities to advance Scottsdale's capacity as an arts and cultural hub with regional and national recognition.
- Ensure the authority and accountability of its operating divisions.

# Revenue Budget Overview

FY'04 Budget

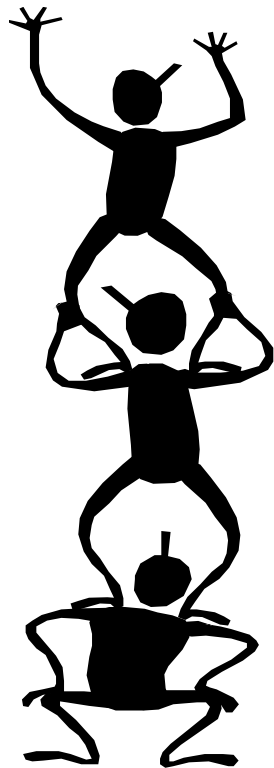
FY'04 Projected Budget



- Earned Revenue
- Contributed Revenue
- City Master Agreement

# Use of City Funds

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-Infrastructure, management, administration, and occupancy costs providing framework for programs and services

# City Master Agreement Allocation of Funds

FY'04 Operating Budget

	SCA	SMoCA	Public Art	Cultural Council	Total Cultural Council
<b>Earned Revenue</b>	\$3,450,442	\$ 404,791		\$20,000	\$3,875,233
<b>Contributed Revenue</b>	1,172,485	860,525		6,200	\$2,039,210
<b>City Master Agreement</b>	1,194,436	779,862	243,995	562,303	\$2,780,596
<b>Art in Public Places</b>			\$ 279,554		\$279,554
<b>Total Amount</b>	<b><u>\$5,817,363</u></b>	<b><u>\$2,045,178</u></b>	<b><u>\$523,549</u></b>	<b><u>\$588,503</u></b>	<b><u>\$8,974,593</u></b>
<b>Percent Master Agmt</b>	43%	28%	9%	20%	100%
<b>City Funding Percent of Total Budget</b>	21%	38%	47%	96%	31%

# Anticipated increase in cost of delivering services

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- Merit increases 3% and market adjustments
  - \$100,000
- Medical insurance expected to increase 20%
  - \$50,000
- Costs of security increase 30%
  - \$35,000
- Business insurance expected to increase 15%
  - \$15,000
- Facility and equipment maintenance needs continue
  - TBD

## Current Needs

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- Renovate 30-year old SCA to compete more effectively in marketplace
  - Refurbish building and re-engineer theater to update systems
  - Improve safety and service access
  - Expand to sustain and grow program and services
- Meet cultural needs and develop opportunities throughout Scottsdale





April 2, 2004

Dear Scottsdale City Council Members:

We are pleased to present you with this condensed overview of the Scottsdale Convention & Visitors Bureau's 2004-05 Destination Marketing Guide. This comprehensive resource focuses on our top-line strategies for marketing Scottsdale in the coming year to leisure travelers, meeting planners, and tour and travel professionals. My staff and I are passionate about marketing Scottsdale to the world to continue growing the \$1 billion in annual expenditures by Scottsdale tourists.

Despite challenges in the travel industry over the past few years, the Scottsdale CVB has seen an increase in website visitors, and in convention sales leads and bookings. In addition, Scottsdale's strong brand helped to keep our destination from enduring some of the same difficulties experienced by other cities.

Scottsdale has a promising future ahead of it. The development of the Waterfront, signature and special events that have had record-breaking attendance, and an increase in the arts and culture are all signs that Scottsdale is recovering quickly and is set for an even better year to come.

The staff at the CVB will continue to aggressively promote Scottsdale to targeted audiences around the world and are excited about implementing a new creative campaign to help better showcase the experiences available to our visitors. We also will devote more resources to our convention sales efforts than ever before. Group business represents 60 percent of the customer mix for our hotels and resorts; therefore, it is essential that we continue to promote Scottsdale as a world-class destination for incentive, corporate and association meetings.

We also will fully utilize our e-mail relationship marketing communications, our search engine optimization efforts and online advertising to stay competitive and extend our reach among potential Scottsdale visitors.

The Scottsdale CVB is fortunate to have an outstanding product to market. Our collection of luxurious resorts and spas consistently garners praise from the nation's top travel publications. The unmatched quantity and quality of our golf product make Scottsdale one of the world's top 10 golf destinations. And, our dynamic arts and cultural offerings provide the type of unique and memorable experiences our visitors crave. These brand advantages, combined with our unique Sonoran Desert setting, reliable sunny weather, vibrant nightlife and distinctly Southwestern spirit, provide the foundation for marketing the destination.

As we venture into the 2004-05 fiscal year, please feel free to contact me or my staff to share new ideas and suggestions on how we can work together to even more effectively market Scottsdale as a premier destination for leisure and business travel. Thank you for your past and ongoing support.

Sincerely,

A handwritten signature in black ink that reads "Rachel R. Sacco". The signature is written in a cursive, flowing style.

Rachel R. Sacco  
President & CEO

## **City of Scottsdale Budget Hearing – April 2, 2004**

### **Scottsdale CVB 2004 – 05 Marketing Plan Overview**

#### **Scottsdale Tourism Impact**

- Scottsdale hosted an estimated 8.3 million visitors in 2002.
- These visitors' economic impact on Scottsdale was \$2.5 billion--\$1 billion of which was direct spending.
- 51,000 Scottsdale jobs—39 percent of the total—are directly or indirectly related to tourism.

Source: City of Scottsdale Visitor Statistics, August 2003

#### **2004 – 05 Projected Tourism Market Conditions**

- Strong 2004 peak season leading to optimism for remainder of year and through 2005.
- Hotel/resort demand and RevPAR strong, but rate continues to lag.
- Scottsdale is a “fly” destination with great majority of visitors and meeting delegates flying here. Continued strong, affordable service via America West Airlines and Southwest Airlines is vital to bringing in our customers.
- Scottsdale's product and cachet position us well for retaining existing customers and finding new visitors.
- Continued product development—Downtown/Waterfront, McDowell Sonoran Preserve, events and attractions—necessary for Scottsdale tourism growth.

#### **2004 – 05 Scottsdale CVB Marketing Priorities**

- Use leisure focus group results to develop compelling new advertising campaign.
- Invest in vibrant new photography and film to enhance how we position Scottsdale.
- Use Jerry Murphy meetings' study to enhance our direct convention sales efforts.
- Continue to leverage events within our marketing campaign.
- Further enhance our cooperative marketing program with CVB members to infuse millions of private-sector dollars into our Scottsdale branding efforts.

#### **Scottsdale's Brand Advantages**

- Resorts & Spas
- Golf
- Arts & Culture

#### **Scottsdale's Supplemental Attributes**

- Sunny weather
- Unique Sonoran Desert backdrop
- Cachet as a sophisticated, accessible Southwestern city

## **City of Scottsdale Budget Hearing – April 2, 2004**

### **Scottsdale CVB 2004 – 05 Marketing Plan Overview**

#### **2004 – 05 New/Different CVB Activities**

- Augment ongoing arts and cultural marketing by bringing Smithsonian's CultureFest to Scottsdale in November 2004.
- Will host two national travel writer conferences attended by approximately 50 journalists each.
- Will bring more meeting planners to Scottsdale than ever before via familiarization tours, events and site inspections per the recommendations of the Jerry Murphy study.
- Utilize television—via the FBR Open and possibly other PGA events—to market Scottsdale golf.
- Create new collateral—desert discovery guide, golf guide, dining/nightlife guide and more—to better tell the Scottsdale story.
- Expand our already rapidly-growing Internet advertising and e-mail relationship marketing to increase the frequency and reach of our messages.

#### **2003 – 04 Accomplishments**

- Convention sales team generated 904 leads and 259 bookings for a total of more than \$36 million in economic impact in calendar 2003. Compared to 2002, bookings increased 35 percent and economic impact from these bookings is up \$7 million.
- Fiesta Bowl and Rock 'n' Roll Marathon contracts filled tens of thousands of Scottsdale room nights in early January 2004
- Worked with Cultural Council to attract more than 4,000 attendees to Native Trails' performances from January through early March 2004
- Created satellite visitor center at Scottsdale Fashion Square and took on former DSP role of staffing and staging booths at signature and special events
- Public relations efforts leveraged our messages into \$13.8 million worth of free editorial coverage in calendar 2003
- Tourism sales team generated 146 hotel and 164 non-hotel leads, fulfilled 2,100 service requests, and met with 5,100 clients in 2003
- On course to surpass last year's mark of 1.2 million unique web site visitors ([www.experiencescottsdale.com](http://www.experiencescottsdale.com))
- CVB's search engine optimization efforts resulted in the CVB's web site being ranked in the top 10 on top Internet search engines for numerous Scottsdale travel keywords. This makes it much easier for potential customers to find us on the web.

# **City of Scottsdale Budget Hearing – April 2, 2004**

## **Scottsdale CVB 2004 – 05 Marketing Plan Overview**

### **2004 – 05 Draft Scottsdale CVB Performance Measures**

#### **CONVENTION SALES**

- 1. Generate 800 convention sales leads for Scottsdale properties.**
  - A convention sales lead is a request for proposal including dates, rates and meeting space for a meeting planner.

#### **TRAVEL INDUSTRY SALES**

- 1. Generate 1,575 domestic and international tour program leads and services for Scottsdale properties/venues.**
  - Leads are requests to hotels and resorts for rates and availability.
  - Non-hotel leads are requests for products and/or services sent to applicable member businesses, excluding hotels and resorts.
  - “Services” is defined as providing clients with Scottsdale information, such as maps, brochures, and slides, along with faxing member lists to them and handling registration needs.
- 2. Promote Scottsdale as one of the world’s top leisure destinations to 5,000 targeted clients.**
  - Sales calls, tradeshow activity, product training, client receptions, and relationship marketing are tactics used to promote Scottsdale to U.S. travel agents and tour operators throughout the world.

#### **CONVENTION SERVICES**

- 1. Service a minimum of 600 Scottsdale meetings and conventions.**
  - “Services” is defined as providing clients with Scottsdale information, such as maps, brochures, and slides, along with faxing member lists to them and handling registration needs.
- 2. Generate 160 non-hotel leads to Scottsdale CVB members.**
  - Non-hotel leads are requests for products and/or services sent to applicable member businesses, excluding hotels and resorts.

#### **PUBLIC RELATIONS**

- 1. Generate 350 travel articles about Scottsdale.**
  - These are articles where the CVB works directly with travel and meetings writers, or sends press releases to media that result in a Scottsdale story.
- 2. Reach a minimum of 200 million readers/viewers through editorial placement**
  - This is print and electronic coverage of Scottsdale as a leisure or meetings destination generated or aided by the CVB.

#### **CORPORATE COMMUNICATIONS**

- 3. Produce a quarterly newsletter for Scottsdale CVB members.**
  - The newsletter will recap recent CVB accomplishments and activities, but will primarily focus on upcoming CVB activities and cooperative advertising opportunities in which members can participate.
- 4. Organize a minimum of two CVB member seminars.**
  - The objective is to create and promote a minimum of two educational opportunities for CVB members to increase their knowledge about the tourism and hospitality industries, while educating them about how to maximize their CVB memberships by participating in Bureau-led marketing, sales and promotional programs.

## **City of Scottsdale Budget Hearing – April 2, 2004**

### **Scottsdale CVB 2004 – 05 Marketing Plan Overview**

#### **2004 – 05 Draft Scottsdale CVB Performance Measures (continued)**

##### **CORPORATE COMMUNICATIONS (continued)**

5. **Write and distribute a minimum of 12 news releases about the Scottsdale CVB's programs, achievements or organizational structure.**
  - The CVB disseminates releases with the objective of generating Scottsdale story ideas among different media segments, including national and international travel media, U.S. meetings publications and local media.
6. **Produce and distribute the CVB's annual report and destination marketing guide**
  - The CVB's annual report recaps results achieved in the Bureau's most-recently completed fiscal year and is targeted to the CVB's many constituencies. The destination marketing guide outlines the CVB's media plan and tradeshow activity for the coming year allowing members to plan their marketing programs and tradeshow participation accordingly.

##### **MEMBERSHIP**

1. **The Scottsdale CVB's membership department will sign up at least 50 new member businesses.**
2. **Renew calendar-year 2004 memberships for a minimum of 70% of CVB members that are active as of Dec. 31, 2004.**
3. **Collect at least \$240,000 in membership dues.**
4. **Increase membership to a minimum of 525 businesses by June 30, 2005.**

##### **LEISURE VISITOR INQUIRIES**

1. **Generate a minimum of 60,000 visitor inquiries via walk-in visits to the CVB's visitor centers, aiding customers at events, telephone, fax, advertising reader service responses, business reply cards and email, but excluding Internet site visits.**
2. **Convert 50% of those requesting Scottsdale travel information from the CVB into Scottsdale visitors.**
3. **Distribute a minimum of 170,000 Scottsdale destination guides to out-of-state visitors.**
4. **Generate a minimum of 1.2 million Internet sessions on the CVB's web site and splash pages.**
5. **Generate a minimum of 150 million impressions via the CVB's print, television, online and radio advertising, in addition to the CVB's email blast campaign.**

##### **EVENT MARKETING**

1. **Reach a minimum of 25 million potential customers via the CVB's advertising.**
2. **Conduct event-related direct mail and email campaigns reaching 150,000 potential customers.**

## **City of Scottsdale Budget Hearing – April 2, 2004**

### **Scottsdale CVB 2004 – 05 Marketing Plan Overview**

#### **2004 – 05 Draft Budget**

- CVB is requesting a 2 percent increase to its base City funding—would be first increase in three years to CVB's base budget
- CVB is not requesting the \$770,000 in General Fund proceeds it received in 2003 – 04 to market Culture Quest Scottsdale and stage—via the Scottsdale Cultural Council—Native Trails
- CVB is requesting to replace the \$770,000 in Culture Quest funding with \$770,000 in additional bed-tax funding. It's the CVB's understanding that the City Council would need to change the existing ordinance regarding the percentage of bed-tax proceeds allocated to tourism for this to happen
- If these changes proceed, the City's 2004 – 05 investment in the CVB would be \$5,109,120, which is 1.7% more than the City invested in us in 2003 – 04 (\$5,025,000)
- CVB, even without the encumbered Culture Quest funding, will continue to aggressively market Scottsdale's arts and cultural amenities and will work with the Scottsdale Cultural Council to continue some form of Native Trails
- Trading the \$770,000 in General Fund Culture Quest Scottsdale proceeds for \$770,000 in Scottsdale bed-tax revenue would allow the CVB to invest this money in the following:

**Culture Quest Scottsdale:** The bulk of the \$770,000 would continue to be invested in marketing Scottsdale's arts and cultural amenities, including staging and marketing Native Trails. CVB will also continue to produce three Culture Quest Scottsdale guides per year (October-December 2004, January-March 2005 and April-September 2005).

**Advertising:** Implementing the elements of a more effective, targeted advertising and marketing campaign in response to the recent focus group studies.

**Film & Photography:** The CVB has not invested in shooting original ad campaign photography and film for television commercials in four years. As part of creating a new advertising campaign, we would ideally invest \$300,000 - \$400,000 in photography, film and affiliated production costs. Budget limitations will likely keep us from investing that amount.

**Collateral Creation:** Create new collateral—desert discovery guide, golf guide, dining/nightlife guide and more—to better tell the Scottsdale story.

**Personnel:** In response to Jerry Murphy's recent Scottsdale meetings study, the CVB would like to add a convention sales manager and stage additional direct sales efforts to bring more meetings to Scottsdale. CVB would also add a visitor services concierge to aid with staffing satellite visitor facilities and special events, and add resources to its public relations staff to augment the efforts of this team, which delivers a tremendous ROI for Scottsdale.

**Marketing:** With only 1% projected growth in the CVB's 2004 – 05 budget, CVB's marketing budget is projected to decrease 8%, due to projected increases in personnel and fixed operational expenses. Creating the aforementioned collateral pieces—Desert Discovery Guide, Golf Guide and Dining & Nightlife Guide—will also consume resources that otherwise could be spent on advertising, however our recent focus group

results underscore that our customers are looking for this kind of detailed information about Scottsdale to improve their experience in our destination.

**Sales:** Implementing the recommendations of the “2003 Group Meeting Market Study” (Gerard Murphy and Associates), will be adding an increased number of industry “familiarization trips” and trade show participation to heighten Scottsdale’s visibility and brand awareness as a meetings destination.

**Public Relations:** Will host two national travel writer conferences attended by approximately 50 journalists each.

Scottsdale Convention Visitors Bureau  
Revised Budget  
Includes Full Prop 302 Funding

REVENUE	Budget 2003-2004	Proposed Budget 2004 2005	% Change over 2003- 2004 Budget	Expenses as a Percentage of Total Budget	Expenses as a Percentage of Total Budget by Size of Budget	Number of Staff by Size of Budget
<b>Contracts</b>						
City of Scottsdale - Basic	3,956,000	4,035,120	2.0%			
City of Scottsdale Bed Tax Adjustment		770,000				
City of Scottsdale - Event Promotion	229,000	229,000	0.0%			
City of Scottsdale - Cultural Tourism	770,000	-	-100.0%			
City of Scottsdale - Fiesta Bowl	70,000	75,000	7.1%			
<b>Total City of Scottsdale Funding</b>	<b>5,025,000</b>	<b>5,109,120</b>	<b>1.7%</b>			
Town of Paradise Valley	575,000	550,000	-4.3%			
City of Fountain Hills	30,000	30,000	0.0%			
Ft McDowell Yavapai Nation	50,000	50,000	0.0%			
State of Arizona - Prop 302	1,156,815	1,156,815	0.0%			
<b>Total Contracts</b>	<b>6,836,815</b>	<b>6,895,935</b>	<b>0.9%</b>			
<b>Project/Program Revenue</b>	631,600	669,000	5.9%			
<b>TOTAL ALL REVENUE</b>	<b>7,468,415</b>	<b>7,564,935</b>	<b>1.3%</b>			

EXPENSE				SCVB 38 FTEs	IACVB	IACVB 46 FTEs
<b>Personnel</b>	2,112,475	2,411,081	14.1%	31.9%	39.50%	
<b>Operating Expenses</b>	532,500	624,570	17.3%	8.3%		
<b>Administration</b>	151,700	157,768	4.0%	2.1%	10.3%	15.10%
<b>Membership Development</b>	32,500	30,000	-7.7%	0.4%		
<b>Marketing /Cultural Tourism</b>	3,426,740	3,162,516	-7.7%	41.8%		
<b>Event Marketing</b>	229,000	229,000	0.0%	3.0%		
<b>Communications</b>	115,500	120,000	3.9%	1.6%		
<b>Convention Sales</b>	307,700	330,000	7.2%	4.4%		
<b>Tourism Sales</b>	195,300	175,000	-10.4%	2.3%	57.4%	45.40%
<b>Cash Reserves (Membership)</b>	50,000	10,000	-80.0%	0.1%		
<b>Contracts</b>	315,000	315,000	0.0%	4.2%		
<b>TOTAL ALL EXPENSE</b>	<b>7,468,415</b>	<b>7,564,935</b>	<b>1.3%</b>	<b>100%</b>	<b>100%</b>	
<b>Net Cash</b>	-	-				



## Fire Department – Valley Cities Legal Support

All of the cities polled indicated the legal work for the fire department is varied and can be quite voluminous during those times when emergency and fire services demands increase. Their fire department has legal work requirements similar to the police department. None of the cities track actual time spent, but estimate the following:

### Glendale - 1 FTE

Provides legal services which includes personnel, legal advice similar to police department needs, contracts, ordinances, fire code, procurement, wage assignments, public records requests and criminal subpoenas, intergovernmental agreements and liability. Their police legal advisor provides a substantial portion and various attorneys depending upon the area of law do other work.

### Chandler - 1 FTE

Provides legal advice similar to police department needs. This city has two full-time police legal advisors. Their environmental attorney handles any legal issues for that area of law. Other work similar to Glendale's is distributed as it comes in to the attorneys working in specific areas of law. Most of their criminal subpoenas are handled by fire personnel.

### Mesa - 30 hours a week of attorney time

They do not assign attorneys to areas of law or client departments. Legal work from their fire department is distributed according to the type of law. They have the same issues as Glendale, and Chandler.

### Tempe - 1 FTE

This city rotates assignments of attorneys. Currently, one attorney is assigned to their fire department, but this is not all that attorney does. They have the same legal issues as all other cities and distribute work according to area of law.

### Phoenix - 1 FTE

They have one attorney assigned to the fire department who provides legal advice, but this attorney does other legal work as well. Their emergency services department handles most of their employment wage assignment, public records requests and criminal subpoenas work. They have the same legal needs as all other cities, and disburse the fire department work for specialized areas of law to those specific attorneys.

**Fire Transition Cost Funding  
Proposed FY 2004/05 Budget**

The following information is provided to clarify the planned funding for the Fire budget within the City's proposed FY 2004/05 Fire budget. The proposed Fire budget includes the following three components:

- \$19.6 million Cost of Rural Metro fire contract
- \$5.8 million Cost of one-time Fire transition capital items
- \$633,000 Cost of civilian Fire transition staff required in anticipation of the July 2005 transition to a municipal department

All three components of the proposed FY 2004/05 Fire expenditures are currently funded from General Fund revenues. These expenditures are **not** contingent on voter approval of the May 18 Public Safety Sales Tax. However, if the voters should approve the May 18 ballot the City Council may elect to enhance all public safety services, including Fire, from this new funding source.

The one-time Fire transition capital costs and the civilian Fire transition staff are summarized below:

One-time Fire Transition Capital Costs

<b>Description</b>	<b>One-Time Transition Costs</b>
Turnout Gear and Uniforms	\$573,421
Apparatus Equipment and Supplies	1,855,899
Fire Administration Space and Furnishings	752,230
Station Furniture, Fixtures, Equipment	172,620
Phone System	338,801
Computers	170,826
Radios	301,541
Software	181,000
Vehicles	593,700
Fleet Maintenance Operations	86,500
Recruitment and Training	181,946
Contractual Services	74,250
<b>Subtotal</b>	<b>\$5,282,734</b>
Contingency	517,270
<b>Total One-Time Fire Transition Costs</b>	<b>\$5,800,004</b>

### Civilian Fire Transition Staff

The civilian staff are needed to prepare for the arrival of the firefighters in July 2005. Only four of the proposed positions are slated for hire in the first half of the fiscal year. The majority of the proposed positions would be filled in the second half of the year to minimize the overall budget impact for FY 2004/05. The following table summarizes the proposed positions, costs and start dates.

Title	FTE	Total	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05
<b>General Fund - FIRE</b>														
Sr HR Analyst	1.00	\$74,324												
Asst City Att	1.00	\$101,939												
Fire Tech Manager	1.00	\$105,303												
System Integrator	1.00	\$66,109												
Sr HR Rep	1.00	\$41,951												
Radio Comm. Tech	1.00	\$31,754												
Payroll Spec	1.00	\$24,692												
Equip Mechanic II	1.00	\$19,770												
Account Clerk	0.50	\$5,019												
Equip Mechanic II	1.00	\$15,324												
Equip Mechanic II	1.00	\$10,878												
Systems Integrator	1.00	\$11,785												
Equip Mechanic II	1.00	\$6,426												
Mail Svc Courier	0.50	\$1,940												
Stock Clerk	0.50	\$2,240												
<b>13.50</b>		<b>\$519,454</b>	Personal Services											
		<b>\$41,137</b>	Contractual (Training, Office Supplies, etc.)											
		<b>\$29,549</b>	Commodities (Standard Office Furniture, etc.)											
		<b>\$42,838</b>	Capital Outlays (Vehicle, Laptops, Desktop PC)											
		<b>\$632,978</b>	Total											

Detailed justification for each proposed position is attached to this summary memo.

Again, these expenditures are a FY 2004/05 budget priority and are **not** contingent on voter approval of the May 18 Public Safety Sales Tax.

Staff Contacts: Craig Clifford, General Manager, extension 22427  
 Art Rullo, Budget Director, extension 22427

The information presented below outlines the *updated* proposed uses for \$4.2 million of the contingent Public Safety Sales Tax. The \$4.2 million represents \$3.5 million from the proposed FY 2004/05 General Fund budget and \$0.6 million for a Parks/Preserve Police Unit, which was added to the proposed uses subsequent to the March 9<sup>th</sup> budget release. The additional sales tax revenue and expanded public safety services expenditures of \$4.2 million are contingent on the May 18<sup>th</sup> vote to increase the City's sales tax rate dedicated to public safety. Should the voters approve the ballot initiative, staff recommends an increase in the following priority public safety service areas during FY 2004/05:

- \$0.8 million Traffic Enforcement
- \$0.2 million Code Enforcement
- \$1.3 million District 1
- \$0.2 million Vice Enforcement
- \$0.7 million Cyber Crime Unit
- \$38,000 Police Records
- \$34,400 Crime Laboratory
- \$23,800 City Court
- \$0.1 million City Facility and Workplace Security
- \$0.2 million Photo Radar Enforcement
- \$0.6 million Parks/Preserve Police Unit (*proposed after the March 9<sup>th</sup> budget release to City Council*)

As note above, the *updated* proposed FY 2004/05 General Fund budget includes \$4.2 million of contingent expenditures for additional public safety expenditures, which is contingent on voter approval of a May 18<sup>th</sup> ballot measure for a dedicated 0.10 percent sales tax for public safety. The contingent public safety expenditures are included in the proposed budget to give Council flexibility to adjust the budget should voters approve this measure. The City must include the additional expenditures to comply with the State of Arizona's requirements for adoption of the tentative budget. By State law, the tentative budget adoption sets the City's annual maximum legal expenditure limit. Council may not increase the limit after the tentative adoption, which is currently scheduled for Monday, May 17<sup>th</sup>. In the event the public safety ballot initiative is not approved, the City Council may lower the appropriation amounts when it adopts the final budget in June.

The proposed \$4.2 million of public safety service enhancements by service area are summarized below:

## Public Safety Enhancements by Service Area

Title	FTE	Total	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05
<b>Traffic Enforcement</b>														
Police Officer	1.00	\$63,382												
Police Officer	1.00	\$63,382												
Police Officer	1.00	\$63,382												
Police Sergeant	1.00	\$89,904												
Police Officer	1.00	\$31,690												
Police Officer	1.00	\$31,690												
Police Officer	1.00	\$31,690												
Police Officer	1.00	\$31,690												
	<b>8.00</b>	<b>\$406,811</b>	Personal Services											
		<b>\$6,001</b>	Contractual											
		<b>\$180,116</b>	Commodities - Officer equipment (radios, uniforms, guns, ammunition, etc.)											
		<b>\$186,500</b>	Capital Outlay - Officer vehicles/motorcycles											
		<b>\$779,428</b>	Total											

**Proposed Public Safety Sales Tax Uses**  
**Contingent on May 18, 2004 Vote**  
**Proposed FY 2004/05 Budget**

Title	FTE	Total	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05
<b>Code Enforcement</b>														
Code Inspector	1.00	\$61,091												
Code Inspector	1.00	\$61,091												
	<b>2.00</b>	<b>\$122,182</b>												
			Personal Services											
			\$4,006 Contractual - Training; software											
			\$3,486 Commodities - Standard office furniture											
			\$58,000 Capital Outlay - Inspector vehicles; computers											
			<b>\$187,674</b> Total											

Title	FTE	Total	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05
<b>District 1</b>														
Police Officer	1.00	\$47,536												
Police Officer	1.00	\$47,536												
Police Officer	1.00	\$47,536												
Police Officer	1.00	\$47,536												
Police Officer	1.00	\$47,536												
Police Officer	1.00	\$47,536												
Police Sergeant	1.00	\$67,428												
Police Sergeant	1.00	\$67,428												
Police Lieutenant	1.00	\$77,009												
Police Officer	1.00	\$47,536												
Police Officer	1.00	\$47,536												
Police Officer	1.00	\$47,536												
Police Officer	1.00	\$47,536												
	<b>13.00</b>	<b>\$687,228</b>												
			Personal Services											
			\$10,606 Contractual											
			\$200,476 Commodities - Standard office furniture; officer equipment (radios, uniforms, guns, ammunition, etc.)											
			\$380,000 Capital Outlay - Officer vehicles; leased space improvements											
			<b>\$1,278,310</b> Total											

Title	FTE	Total	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05
<b>Vice Enforcement</b>														
Police Officer	1.00	\$64,232												
Police Officer	1.00	\$64,232												
	<b>2.00</b>	<b>\$128,464</b>												
			Personal Services											
			\$24,672 Contractual - Leased undercover vehicles; training											
			\$37,530 Commodities - Officer equipment (radios, uniforms, guns, ammunition, etc.)											
			<b>\$190,666</b> Total											

**Proposed Public Safety Sales Tax Uses**  
**Contingent on May 18, 2004 Vote**  
**Proposed FY 2004/05 Budget**

Title	FTE	Total	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05
<b>Cyber Crime Unit</b>														
Police Officer	1.00	\$32,540												
Police Officer	1.00	\$32,540												
Police Officer	1.00	\$32,540												
Police Officer	1.00	\$32,540												
Police Officer	1.00	\$32,540												
Police Officer	1.00	\$32,540												
Police Sergeant	1.00	\$45,801												
<b>7.00</b>		<b>\$241,044</b>	Personal Services											
		<b>\$35,457</b>	Contractual - Training; software maintenance and licensing											
		<b>\$225,011</b>	Commodities - Forensic recovery computer systems; officer equipment (radios, uniforms, guns, ammunition, etc.)											
		<b>\$220,000</b>	Capital Outlay - Officer vehicles											
		<b>\$721,512</b>	Total											

Title	FTE	Total	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05
<b>Police Records</b>														
Police Support Spec	1.00	\$38,047												
<b>1.00</b>		<b>\$38,047</b>	Personal Services											

Title	FTE	Total	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05
<b>Crime Laboratory</b>														
Criminalist II	1.00	\$32,219												
<b>1.00</b>		<b>\$32,219</b>	Personal Services											
		<b>\$1,550</b>	Contractual - Training											
		<b>\$596</b>	Commodities - Lab supplies											
		<b>\$34,365</b>	Total											

Title	FTE	Total	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05
<b>City Court</b>														
Court Service Rep	1.00	\$21,118												
<b>1.00</b>		<b>\$21,118</b>	Personal Services											
		<b>\$750</b>	Contractual - Training											
		<b>\$250</b>	Commodities - Office supplies											
		<b>\$1,707</b>	Capital Outlay - Computer equipment											
		<b>\$23,825</b>	Total											

**Proposed Public Safety Sales Tax Uses**  
**Contingent on May 18, 2004 Vote**  
**Proposed FY 2004/05 Budget**

Title	FTE	Total	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05
<b>City Facility &amp; Workplace Security</b>														
Municipal Security Tech	1.00	\$59,763												
	<b>1.00</b>	<b>\$59,763</b>	Personal Services											
		<b>\$4,583</b>	Contractual - Training; software maintenance											
		<b>\$10,510</b>	Commodities - Standard office equipment/furniture											
		<b>\$74,856</b>	Total											
<b>Photo Enforcement</b>		<b>\$213,432</b>	Contractual - Expand photo radar services											
<b>Subtotal</b>	<b>36.00</b>	<b>\$1,736,874</b>	Personal Services											
		<b>\$301,057</b>	Contractual											
		<b>\$657,975</b>	Commodities											
		<b>\$846,207</b>	Capital Outlay											
		<b>\$3,542,113</b>	Total											

As mentioned above, the following service was added to the proposed enhanced public safety services list, subsequent to the March 9<sup>th</sup> release of the City's proposed FY 2004/05 budget. The addition of this service brings the updated contingent public safety expenditures total to approximately \$4.2 million.

Title	FTE	Total	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05
<b>Parks/Preserve Police Unit</b>														
Police Officer	1.00	\$63,382												
Police Officer	1.00	\$63,382												
Police Officer	1.00	\$63,382												
Police Sergeant	1.00	\$89,904												
Police Officer	1.00	\$31,690												
Police Officer	1.00	\$31,690												
Police Officer	1.00	\$31,690												
Police Officer	1.00	\$31,690												
	<b>8.00</b>	<b>\$406,811</b>	Personal Services											
		<b>\$8,920</b>	Contractual											
		<b>\$121,920</b>	Commodities - Officer equipment (radios, uniforms, guns, ammunition, etc.); mountain bikes, horse and mounted specialty equipment											
		<b>\$112,750</b>	Capital - Officer utility vehicles; flat bed trailer											
		<b>\$650,401</b>	Total											
<b>Grand Total</b>	<b>44.00</b>	<b>\$2,143,685</b>	Personal Services											
		<b>\$309,977</b>	Contractual											
		<b>\$779,895</b>	Commodities											
		<b>\$958,957</b>	Capital											
		<b>\$4,192,514</b>	Total											

While this memo highlights the approximately \$4.2 million of contingent expenditures included in the *updated* proposed budget, Council may modify staff's recommended use of the contingent funds and/or the amount of contingent funding included in the tentative budget adoption. To comply with the State's expenditure limits, any modification to the amount of contingent funding included in the budget would need to occur before Council's tentative budget adoption on May 17<sup>th</sup>.

Again, all of these expenditures are a FY 2004/05 budget priority but are contingent on voter approval of the May 18<sup>th</sup> Public Safety Sales Tax.

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